

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION**

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June 24, 2003

FROM: **DAVID H. SLAUGHTER**, Director
Real Estate Services Department

ROBERTA YORK, Director
Preschool Services Department

SUBJECT: **LEASE AMENDMENT WITH SILVER VALLEY UNIFIED SCHOOL DISTRICT**

RECOMMENDATION: Approve Amendment No. 2 to Lease Agreement No. 01-1024 with Silver Valley Unified School District (SVUSD) to extend the term through June 30, 2004 for 1,486 square feet of classroom and office space and 900 square feet of playground in Newberry Springs for the Preschool Services Department (PSD) in the amount of \$10,872.

BACKGROUND INFORMATION: From 1992 to 2001, PSD leased 1,486 square feet of classroom space and 900 square feet of playground from SVUSD at no cost for the Newberry Springs Head Start located at 33713 Newberry Road. On October 2, 2001, the Board approved a one-year contract, No. 01-1024, from July 1, 2001 through June 30, 2002 for \$906 per month. On June 18, 2002, the Board approved Amendment No. 1 which extended the term one year through June 30, 2003 at the same monthly rate.

PSD requested Real Estate Services Department (RESO) extend the term through June 30, 2004. The terms of the lease are summarized as follows:

Lessor:	Silver Valley Unified School District		
Location:	33713 Newberry Springs Road in Newberry Springs		
Size:	1,486 square feet for classrooms and offices and 900 square foot playground		
Term:	One year		
Options:	Annual recurring option (permitted with governmental agencies)		
Rent:	<u>Cost per sq. ft. per month</u> \$0.61*	<u>Monthly Cost</u> \$906	<u>Annual</u> \$10,872

*Mid range for Newberry Springs

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Improvement Costs: None

Custodial: Provided by County

Maintenance: Provided by SVUSD

Utilities: Provided by County

Right to Terminate: County has the right to terminate with 90 days notice

Parking: Sufficient for County needs

REVIEW BY OTHERS: This item has been reviewed by County Counsel (Rex Hinesley, Chief Deputy County Counsel) on May 27, 2003; HSS (Kristin Letterman, Administrative Manager) on June 16, 2003; and the County Administrative Office (Daniel R. Kopp, Administrative Analyst) on June 16, 2003.

FINANCIAL IMPACT: The total cost of this one-year amendment is \$10,872. Payments will be made from the Rents budget (AAA RNT) and reimbursed from PSD's budget (RSC HPS). Sufficient appropriation has been included in the 2003-04 budget for both budget units. Approval of this item will not result in local cost.

COST REDUCTION REVIEW: The County Administrative Office has reviewed this agenda item, concurs with the department's and RESD's proposal and recommends this action based on the continuing need for a Head Start program in the Newberry Springs area. This program is 93% federally funded and 7% state funded. Funding is available, ongoing in nature, and not in imminent jeopardy of being cut at the federal or state level. If funding is reduced or eliminated, the lease can be terminated with 90 days notice. Consolidation of this space with other existing space has been explored and no feasible opportunity exists at this time.

SUPERVISORIAL DISTRICTS: First

PRESENTER: David H. Slaughter, Director, 7-7813

MR 7-7836 mf 7-7825